

BLANKET PURCHASE AGREEMENTS

ESTABLISHMENT OF BLANKET PURCHASE AGREEMENTS

GENERAL: A blanket purchase agreement is a simplified method of filling anticipated repetitive needs for small quantities of supplies or services by establishing "charge accounts" with qualified sources of supply. Blanket purchase agreements are designed to reduce administrative costs in accomplishing small purchases by eliminating the need for issuing individual purchase documents.

ALTERNATE SOURCES: To the extent practicable, blanket purchase agreements for items of the same type should be placed concurrently with more than one supplier. All competitive sources shall be given an equal opportunity to furnish supplies or services under such agreements.

TERMS AND CONDITIONS: Blanket purchase agreements shall contain the following provisions:

- (a) Description of agreement - a statement that the supplier shall furnish supplies or services, described therein in general terms, if and when requested by the Procurement Officer, or his authorized representative, during a specified period and within a stipulated aggregate amount, if any. Blanket purchase agreements may encompass all items that the supplier is in a position to furnish.
- (b) Extent of obligation-a statement that the provider is obligated only to the extent of authorized calls actually placed against the blanket purchase agreement.
- (c) Notice of individuals authorized to place calls and dollar limitations-a provision that a list of names of individuals authorized to place calls under the agreement, identified by organizational component, and the dollar limitation per call for each individual shall be furnished to the supplier by the Procurement Officer.
- (d) Delivery tickets - a requirement that all shipments under the agreement, except subscriptions and other charges for newspapers, magazines, or other periodicals, shall be accompanied by delivery tickets or sales slips which shall contain the following minimum information:
 - (1) Name of supplier;
 - (2) blanket purchase agreement number;
 - (3) date of call;
 - (4) call number;
 - (5) itemized list of supplies or services furnished;

- (6) quantity, unit price, and extension of each item less applicable discounts (unit price and extensions need not be shown when incompatible with the use of automated systems, provided that the invoice is itemized to show this information); and
 - (7) date of delivery or shipment.
- (e) Invoices-one of the following statements:
- (1) A summary invoice shall be submitted at least monthly or upon expiration of the blanket purchase agreement, whichever occurs first, for all deliveries made during a billing period, identifying the delivery tickets covered therein, stating their total dollar value, and supported by receipted copies of the delivery tickets; or
 - (2) An itemized invoice shall be submitted at least monthly or upon expiration of the blanket purchase agreement, whichever occurs first, for all deliveries made during a billing period and for which payment has not been received. Such invoices need not be supported by copies of delivery tickets;
 - (3) When billing procedures provide for an individual invoice for each delivery, these invoices shall be accumulated provided that a consolidated payment will be made for each specified period; and the period of any discounts will commence on final date of billing period or on the date of receipt of invoices for all deliveries accepted during the billing period, whichever is later. This procedure should not be used if the accumulation of the individual invoices materially increases the administrative costs of this purchase method.
 - (4) An invoice for subscriptions or other charges for newspapers, magazines, or other periodicals shall show the starting and ending dates and shall state either that orders have been placed in effect or will be placed in effect upon receipt of payment.

COMPETITION UNDER BLANKET PURCHASE AGREEMENT

Calls against blanket purchase agreements shall be placed after prices are obtained. When concurrent agreements for similar items are in effect, calls shall be equitably distributed. In those instances where there is an insufficient number of BPAs for any given class of supplies or services to assure adequate competition, the individual placing the order shall solicit quotations from other sources.

CALLS AGAINST BLANKET PURCHASE AGREEMENT

Calls against blanket purchase agreements generally will be made orally, except that informal correspondence may be used when ordering against agreements outside the local trade area. Documentation of calls shall be essential information. Forms may be developed for this purpose locally.

RECEIPT AND ACCEPTANCE OF SUPPLIES OR SERVICES.

Acceptance of supplies or services shall be indicated by signature and date on the appropriate form by the authorized representative after verification and notation of any exceptions. A sales slip or delivery ticket may be used for receipt and acceptance when purchases are retained for administration.

REVIEW PROCEDURES.

Blanket purchase agreements should be reviewed at least semi-annually to assure that authorized procedures are being followed. Blanket purchase agreements shall be issued for a period of no longer than 12 months.